



# House of Representatives

General Assembly

**File No. 568**

*January Session, 2013*

Substitute House Bill No. 5598

*House of Representatives, April 18, 2013*

The Committee on Planning and Development reported through REP. ROJAS of the 9th Dist., Chairperson of the Committee on the part of the House, that the substitute bill ought to pass.

***AN ACT CONCERNING THE DEPARTMENT OF ADMINISTRATIVE SERVICES AND THE DISPOSITION OF SURPLUS STATE PROPERTY, SHORT TERM EMERGENCY LEASES, THE DEFINITION OF EXECUTIVE SESSION AND DUPLICATIVE STATEMENTS OF FINANCIAL INTEREST.***

Be it enacted by the Senate and House of Representatives in General Assembly convened:

1 Section 1. Section 4b-21 of the general statutes is repealed and the  
2 following is substituted in lieu thereof (*Effective July 1, 2013*):

3 (a) When the General Assembly is not in session, the trustees of any  
4 state institution, the State Board of Education or the Commissioner of  
5 Correction may, subject to the provisions of section 4b-23, purchase or  
6 acquire for the state, through the Commissioner of Administrative  
7 Services, any land or interest therein if such action seems advisable to  
8 protect the state's interest or to effect a needed economy, and may,  
9 subject to the provisions of said section, contract through the  
10 Commissioner of Administrative Services for the sale or exchange of  
11 any land or interest therein belonging to the state except that The

12 University of Connecticut may purchase or acquire for the state and  
13 may dispose of or exchange any land or interest therein directly. When  
14 the General Assembly is not in session, the Commissioner of  
15 Administrative Services, with the approval of the State Properties  
16 Review Board, may give or obtain an option upon any land or interest  
17 therein which is not under the control of the trustees of any state  
18 institution, the State Board of Education or the Commissioner of  
19 Correction when such action seems advisable, and such option shall  
20 remain in force until the fifteenth day of August following the next  
21 session of the General Assembly.

22 (b) Any state agency, department or institution having custody and  
23 control of land, an improvement to land or interest in land, belonging  
24 to the state, shall inform the Secretary of the Office of Policy and  
25 Management and the municipality where the land is located, in  
26 writing, not less than six months before the date when the agency,  
27 department or institution anticipates such land, improvement or  
28 interest or any part thereof is not needed by the agency, department or  
29 institution. Upon receipt of such notification, the secretary, [shall  
30 arrange for such agency, department or institution to forthwith  
31 transfer custody and control of such land, improvement or interest to]  
32 at his or her discretion, shall determine whether the agency,  
33 department or institution shall retain custody and control of such land  
34 improvement or interest, or whether such responsibility shall be  
35 transferred to the Department of Administrative Services, along with  
36 [adequate funding for] any available funds specifically related to the  
37 personnel and other operating expenses required for the maintenance  
38 of such land, improvement or interest, and shall notify all state  
39 agencies, departments and institutions that such land, improvement or  
40 interest is available. [Within ninety]

41 (c) Not later than thirty days [of] after receipt of such notification  
42 from the secretary, [any] the following agencies shall determine and  
43 notify the secretary in writing if the land, improvement or interest  
44 serves the following needs: (1) The Commissioner of Economic and  
45 Community Development, whether it can be used or adapted for

46 economic development or exchanged for property that can be used for  
47 economic development, used as an emergency shelter or transitional  
48 living facility for homeless persons, or used for the construction,  
49 rehabilitation or renovation of housing for persons and families of low  
50 and moderate income; (2) the Commissioner of Transportation,  
51 whether it can be used for transportation purposes; (3) the  
52 Commissioner of Energy and Environmental Protection, whether it can  
53 be used for open space purposes or to otherwise support the  
54 department's mission; (4) the Commissioner of Agriculture, whether it  
55 can be used for farming or agricultural purposes; (5) the Commissioner  
56 of Veterans' Affairs, whether it can be used for veterans' housing; (6)  
57 the Commissioner of Children and Families, whether it can be used to  
58 support the department's mission; (7) the Commissioner of  
59 Developmental Services, whether it can be used to support the  
60 department's mission; and (8) the Commissioner of Administrative  
61 Services, whether it can be used to house state agencies or leased. Any  
62 state agency, department or institution that is interested in utilizing the  
63 land, improvement or interest shall submit a plan to the secretary that  
64 sets forth the proposed use for the land, improvement or interest and a  
65 budget and timetable for such use. [If the Commissioner of Economic  
66 and Community Development determines that such land,  
67 improvement or interest can be utilized or adapted for use as an  
68 emergency shelter or transitional living facility for homeless persons or  
69 can be utilized or exchanged for property which can be utilized for the  
70 construction, rehabilitation or renovation of housing for persons and  
71 families of low and moderate income, said commissioner may (1)  
72 within such ninety-day period, submit to the secretary, in lieu of such  
73 plan, a preliminary plan indicating that the land, improvement or  
74 interest can be utilized, adapted or exchanged for such housing  
75 purposes and stating the type of housing that is planned and (2) within  
76 six months after the end of such ninety-day period, submit a  
77 comprehensive plan for the development of such housing to the  
78 secretary, in a form prescribed by the secretary. If the Commissioner of  
79 Economic and Community Development submits preliminary and  
80 comprehensive plans to the secretary within such periods, the agency,

81 department or institution having custody and control of the land,  
82 improvement or interest shall transfer custody and control to the  
83 Commissioner of Economic and Community Development in  
84 accordance with such procedures as the secretary may prescribe. If (A)  
85 the Commissioner of Economic and Community Development does  
86 not submit a preliminary plan to the secretary within such ninety-day  
87 period or so submits a preliminary plan but does not submit a  
88 comprehensive plan to the secretary within such six-month period,  
89 and (B)] If one or more agencies, departments or institutions submit a  
90 plan for such land, improvement or interest to the secretary within  
91 such [ninety-day] ~~thirty-day~~ period, the secretary shall analyze such  
92 agency, department or institution plan or plans and determine  
93 whether [(i)] custody and control of the land, improvement or interest  
94 shall be transferred to one of such agencies, departments or  
95 institutions, in which case the agency, department or institution  
96 having custody of the land, improvement or interest shall make such  
97 transfer. [, or (ii) the land, improvement or interest shall be treated as  
98 surplus.]

99 [(c)] (d) If the secretary determines that such land, improvement or  
100 interest or part thereof was purchased or improved with proceeds of  
101 tax exempt obligations issued or to be issued by the state, the secretary  
102 shall notify the Treasurer. If the secretary determines that such land,  
103 improvement, interest or part thereof may properly be treated as  
104 surplus, [he] the secretary shall hold an informational public meeting  
105 in the municipality where the land, improvement or interest is located  
106 to inform the public about the process for the disposition of surplus  
107 property, to provide a description of the land, improvement or interest  
108 at issue, to inform the public of its right to submit written comments  
109 under section 4b-47, as amended by this act, and to allow members of  
110 the public the opportunity to comment at the meeting. After holding  
111 such meeting, the secretary shall notify the Commissioner of  
112 Administrative Services [. If the secretary also determines that such  
113 land, improvement or interest or part thereof was purchased or  
114 improved with proceeds of tax exempt obligations issued or to be  
115 issued by the state, he shall also notify the Treasurer. The] of the

116 secretary's determination that such land, improvement or interest may  
117 be treated as surplus.

118 (e) After receiving notification from the secretary that such land,  
119 improvement or interest may be treated as surplus, the Commissioner  
120 of Administrative Services shall offer to transfer such land,  
121 improvement or interest to the municipality in which the land,  
122 improvement or interest is located, provided (1) prior to such transfer,  
123 the municipality by vote of its legislative body accepts such transfer,  
124 and (2) a resolution of such municipal action, verified by the clerk of  
125 the municipality, is delivered to the Commissioner of Administrative  
126 Services not more than one hundred twenty days after receiving notice  
127 from the commissioner regarding the proposed transfer. If the  
128 municipality fails to deliver such resolution to the commissioner  
129 within such one-hundred-twenty-day period, the municipality shall be  
130 deemed to have declined the proposed transfer, provided the  
131 commissioner may extend the one-hundred-twenty-day period  
132 deadline by not more than an additional sixty days. The municipality  
133 shall waive all rights to purchase the land, improvement, interest or  
134 part thereof if the municipality declines or is deemed to have declined  
135 the transfer of such land, improvement, interest or part thereof.

136 (f) If the municipality declines or is deemed to have declined the  
137 transfer of the property, the Commissioner of Administrative Services  
138 may sell, exchange or lease, or enter into agreements concerning, such  
139 land, improvement, interest or part thereof, after (1) notifying (A) the  
140 municipality or municipalities in which such land, improvement or  
141 interest is located, (B) the members of the General Assembly  
142 representing such municipality or municipalities, (C) the regional  
143 planning organization, as defined in section 4-124i, of the region where  
144 the land, improvement or interest is located, (D) the Connecticut  
145 Economic Resource Center, and [(C)] (E) any potential developer of an  
146 incentive housing development, as defined in section 8-13m, who has  
147 registered with the Commissioner of Economic and Community  
148 Development to be notified of any such state surplus land, and (2)  
149 obtaining the approval of (A) the Secretary of the Office of Policy and

150 Management, (B) the State Properties Review Board, and (C) the joint  
151 standing committees of the General Assembly having cognizance of  
152 matters relating to (i) state revenue, and (ii) the purchase and sale of  
153 state property and facilities, and (3) if such land, improvement, interest  
154 or part thereof was purchased or improved with proceeds of tax-  
155 exempt obligations issued or to be issued by the state, obtaining the  
156 approval of the Treasurer. The Treasurer may disapprove such a  
157 transaction only if the transaction would affect the tax-exempt status of  
158 such obligations and could not be modified to maintain such tax-  
159 exempt status. If a proposed agreement for such a conveyance has not  
160 been submitted to the State Properties Review Board within [three  
161 years] one year after the Commissioner of Administrative Services  
162 provides such notice to such municipality and such members of the  
163 General Assembly, or if the board does not approve the proposed  
164 agreement within [five] two years after such notice, the Commissioner  
165 of Administrative Services may not convey such land, improvement or  
166 interest without again so notifying such municipality and such  
167 members of the General Assembly.

168 (g) In the case of a proposed lease of land, an improvement to land  
169 or an interest in land, or any part thereof, with a person, firm or  
170 corporation in the private sector, for a term of six months or more, the  
171 Commissioner of Administrative Services shall comply with such  
172 notice requirement by notifying in writing the chief executive officer of  
173 the municipality in which the land, improvement or interest is located  
174 and the members of the General Assembly representing such  
175 municipality, not less than two weeks before seeking the approval of  
176 said secretary, board and committees, concerning the proposed lease  
177 and the manner in which the lessee proposes to use the land,  
178 improvement or interest. [Each agency, department or institution  
179 which informs the secretary that any land, improvement or interest in  
180 land is not needed shall retain responsibility for its security and  
181 maintenance until the Commissioner of Administrative Services  
182 receives custody and control of the property, if any.]

183 (h) The Treasurer shall execute and deliver any deed or instrument

184 necessary to convey the title to any property the sale or exchange of  
185 which or a contract for the sale or exchange of which is authorized by  
186 this section.

187     ~~[(d)]~~ (i) Upon approval of the proposed action of the Commissioner  
188 of Administrative Services by said secretary and board, said  
189 commissioner shall request approval of such action by the joint  
190 standing committees of the General Assembly having cognizance of  
191 matters relating to state revenue and the purchase and sale of state  
192 property and facilities. Each committee shall have not more than thirty  
193 days from the date such request is received to convene a meeting to  
194 vote to approve or disapprove such action or to notify the  
195 Commissioner of Administrative Services, in writing, that it is waiving  
196 its right to convene a meeting. If such request is withdrawn, altered,  
197 amended or otherwise changed, said commissioner shall resubmit  
198 such request, and each committee shall have not more than thirty days  
199 from the date of such resubmittal to convene a meeting to vote to  
200 approve or disapprove such action or to notify the Commissioner of  
201 Administrative Services, in writing, that it is waiving its right to  
202 convene a meeting. If a committee does not act on a request or the  
203 resubmittal of a request, as the case may be, within [that time] such  
204 thirty-day period, the request shall be deemed to be approved by the  
205 committee.

206     ~~[(e) No]~~ (j) Except as provided in subsection (e) of this section, no  
207 provision of this section shall be construed to limit, supersede or repeal  
208 any other provision of law relating to the powers or duties of any state  
209 agency.

210     ~~[(f)]~~ (k) The requirements of subsections (b) to ~~[(d)]~~ (i), inclusive, of  
211 this section shall not apply to land which the Commissioner of Energy  
212 and Environmental Protection has acquired pursuant to 42 USC 9601 et  
213 seq., the federal Comprehensive Environmental Response,  
214 Compensation and Liability Act of 1980, as amended, (CERCLA).

215     Sec. 2. Section 3-14b of the general statutes is repealed and the  
216 following is substituted in lieu thereof (*Effective July 1, 2013*):

217 Prior to the sale of any parcel of land, or a portion thereof owned by  
218 the state, except a transfer or conveyance to the party against whom  
219 foreclosure was taken or who conveyed to the state in lieu of  
220 foreclosure under the provisions of section 17b-138, or as provided in  
221 subsection (g) of this section, the state agency, department or  
222 institution responsible for the sale of such land shall first notify, in  
223 writing, the chief executive officer or officers of the municipality in  
224 which such land is situated and the affected state representative and  
225 state senator for such municipality of the state's intention to sell such  
226 land, and no agreement to sell such land may be entered into or sale  
227 may be made by the state except as follows:

228 (a) Not later than forty-five days after such notice has been so given,  
229 such chief executive officer or officers may give written notice to the  
230 state of the municipality's desire to purchase such land and shall have  
231 the right to purchase the interest in the land which the state has  
232 declared its intent to sell, subject to conditions of sale acceptable to the  
233 state.

234 (b) If the chief executive officer or officers of the municipality fail to  
235 give notice, as provided in subsection (a) of this section, or give notice  
236 to the state of the municipality's desire not to purchase such land, such  
237 municipality shall have waived its right to purchase the land in  
238 accordance with the terms of this section.

239 (c) Not later than sixty days after notice has been given by the  
240 municipality of its desire to purchase such land, as provided in  
241 subsection (a) of this section, the state acting through the state agency,  
242 department or institution shall sell such land to the municipality,  
243 provided the state and the municipality agree upon the conditions of  
244 sale and the amount to be paid therefor.

245 (d) If the municipality fails to purchase such land not later than  
246 sixty days after notice has been given by the municipality of its desire  
247 to purchase the land, as provided in subsection (a) of this section, such  
248 municipality shall have waived rights to purchase the land in  
249 accordance with the terms of this section, subject to the provisions of



250 subsection (e) of this section.

251 (e) Notwithstanding the provisions of subsections (b) and (d) of this  
252 section, if the state thereafter proposes to sell such land to any person  
253 upon terms different from those offered to the municipality, the state  
254 shall first notify the municipality of such proposal, in the manner  
255 provided in subsection (a) of this section, and of the terms of such  
256 proposed sale, and such municipality shall have the option to purchase  
257 such land upon such terms and may thereupon, in the same manner  
258 and within the same time limitations as are provided in subsections (a)  
259 and (c) of this section, proceed to purchase such land.

260 (f) Notwithstanding the provisions of subsection (d) of this section,  
261 the towns of Preston and Norwich shall retain any right provided for  
262 by this section with regard to the property known as the Norwich State  
263 Hospital property, provided the Commissioner of Administrative  
264 Services determines that such towns continue to make good faith  
265 efforts to purchase such property and have otherwise complied with  
266 the provisions of this section.

267 (g) The provisions of this section shall not apply to the sale or  
268 transfer of land, an interest in land or an improvement to land under  
269 the provisions of section 4b-21, as amended by this act.

270 Sec. 3. Subsection (c) of section 4b-47 of the general statutes is  
271 repealed and the following is substituted in lieu thereof (*Effective July*  
272 *1, 2013*):

273 (c) Nothing in this section shall be construed to:

274 (1) Limit the applicability of sections 22a-1a to 22a-1i, inclusive, with  
275 respect to the sale or transfer of state land or any interest in state land,  
276 except that if an environmental impact evaluation was prepared  
277 pursuant to sections 22a-1b and 22a-1c or an environmental statement  
278 was prepared for such state land or interest in state land pursuant to  
279 any other state or federal law or regulation, as specified in section 22a-  
280 1f, such state agency, department or institution shall be exempt from

281 the notice and public comment requirements set forth in subsections  
282 (a) and (b) of this section;

283 (2) Affect any purchase and sale agreement entered into between  
284 the state and any second party that was in effect prior to October 1,  
285 2007, or any subsequent sale, transfer, easement, lease or other such  
286 agreement made pursuant to any such purchase and sale agreement;

287 (3) Apply to the conveyance of any parcel of state land or any  
288 interest in state land pursuant to an act of the General Assembly;

289 (4) Apply to the sale or transfer of state lands between state  
290 agencies;

291 (5) Apply to any easement that is granted to a municipality or a  
292 regulated utility or utilities that (A) primarily benefits the state or an  
293 agency or institution of the state, (B) is ordered as the result of a state  
294 or federal regulatory process or proceeding, or (C) is necessary as a  
295 result of the construction or reconstruction of any Department of  
296 Transportation highway or facility;

297 (6) Apply to the sale or transfer of state land or an interest in state  
298 land that was designated as surplus, pursuant to subsections (b) [and  
299 (c)] to (h), inclusive, of section 4b-21, as amended by this act, prior to  
300 October 1, 2007, provided the provisions of this section were complied  
301 with at the time of such designation;

302 (7) Apply to the transfer of ten acres or less by the Department of  
303 Transportation or the Department of Education;

304 (8) Limit state agency or public comments to a particular subject  
305 matter area;

306 (9) Limit the publication of any public notifications, comments or  
307 reports that are required under this section solely to the Environmental  
308 Monitor; or

309 (10) Limit the solicitation of public comment solely to the

310 Environmental Monitor.

311 Sec. 4. Subsection (a) of section 8-37y of the general statutes is  
312 repealed and the following is substituted in lieu thereof (*Effective July*  
313 *1, 2013*):

314 (a) The Commissioner of Economic and Community Development  
315 may, with the approval of the Commissioner of Administrative  
316 Services, the Secretary of the Office of Policy and Management and the  
317 State Properties Review Board, sell, exchange, lease or enter into  
318 agreements concerning any real property, as defined in section 8-39,  
319 belonging to the state and transferred to the custody and control of the  
320 Department of Economic and Community Development under the  
321 provisions of [subsection] subsections (b) and (c) of section 4b-21, as  
322 amended by this act. The commissioner shall require, as a condition of  
323 any sale, exchange, lease or agreement entered into pursuant to this  
324 section, that such real property be used only for an emergency shelter  
325 or transitional living facility for homeless persons or for the provision  
326 of low and moderate income housing, including, but not limited to, the  
327 construction, rehabilitation or renovation of housing for persons and  
328 families of low and moderate income, except that such condition, in  
329 the discretion of the commissioner, may be subordinated in the case of  
330 a subsequent first mortgage or a requirement of a governmental  
331 program relating to such real property, and except that in the case of  
332 an exchange of real property, the commissioner (1) shall require that  
333 the parcel received by the commissioner, as a condition of such  
334 exchange, shall be suitable for an emergency shelter or transitional  
335 living facility for homeless persons or for the construction,  
336 rehabilitation or renovation of housing for persons and families of low  
337 and moderate income, and (2) shall release any restrictions required to  
338 be imposed by this subsection on the parcel transferred by the  
339 commissioner. Prior to any such sale, exchange, lease or agreement, the  
340 commissioner shall notify the chief executive officer or officers of the  
341 municipality or municipalities in which such real property is located.  
342 No such real property may be sold, exchanged or leased by the  
343 commissioner under this subsection without the approval of the

344 municipality or municipalities in which the real property is located.

345 Sec. 5. Section 17a-27b of the general statutes is repealed and the  
346 following is substituted in lieu thereof (*Effective July 1, 2013*):

347 Notwithstanding any provision of the general statutes or  
348 regulations adopted thereunder or any public or special act, the  
349 Connecticut Juvenile Training School project, as defined in subsection  
350 (k) of section 4b-55, shall be exempt from the provisions of subsections  
351 (b) [, (c) and (d)] to (i), inclusive, of section 4b-21, as amended by this  
352 act, sections 4b-23, 4b-28, 14-311, 16a-31, 16a-38, 22-6, 22a-6, 22a-12,  
353 22a-14 to 22a-20, inclusive, 22a-39, 25-32 and 29-406 and chapter 54.

354 Sec. 6. (NEW) (*Effective from passage*) Notwithstanding the provisions  
355 of sections 4b-3 and 4b-23 of the general statutes, the Commissioner of  
356 Administrative Services may enter into a lease having a term of not  
357 more than twelve months without obtaining the approval of the Office  
358 of Policy and Management and the State Properties Review Board,  
359 provided the Governor declares (1) an emergency exists because a state  
360 facility has been damaged, destroyed or otherwise rendered unusable  
361 due to any cause, (2) such emergency would adversely affect public  
362 safety or the proper conduct of essential state government operations,  
363 and (3) the state has an immediate need to acquire alternative space.

364 Sec. 7. Subdivision (6) of section 1-200 of the general statutes is  
365 repealed and the following is substituted in lieu thereof (*Effective from*  
366 *passage*):

367 (6) "Executive sessions" means a meeting of a public agency at  
368 which the public is excluded for one or more of the following  
369 purposes: (A) Discussion concerning the appointment, employment,  
370 performance, evaluation, health or dismissal of a public officer or  
371 employee, provided that such individual may require that discussion  
372 be held at an open meeting; (B) strategy and negotiations with respect  
373 to pending claims or pending litigation to which the public agency or a  
374 member thereof, because of the member's conduct as a member of such  
375 agency, is a party until such litigation or claim has been finally

376 adjudicated or otherwise settled; (C) matters concerning security  
377 strategy or the deployment of security personnel, or devices affecting  
378 public security; (D) discussion of the selection of a site or the lease, sale  
379 or purchase of real estate by the state or a political subdivision of the  
380 state when publicity regarding such site, lease, sale, purchase or  
381 construction would [cause a likelihood of increased price] adversely  
382 impact the price of such site, lease, sale, purchase or construction until  
383 such time as all of the property has been acquired or all proceedings or  
384 transactions concerning same have been terminated or abandoned; and  
385 (E) discussion of any matter which would result in the disclosure of  
386 public records or the information contained therein described in  
387 subsection (b) of section 1-210.

388 Sec. 8. Section 4b-4 of the general statutes is repealed and the  
389 following is substituted in lieu thereof (*Effective from passage*):

390 (a) No nonclerical employee in the unit in the Department of  
391 Administrative Services that is responsible for acquiring, leasing and  
392 selling real property on behalf of the state shall be directly involved in  
393 any enterprise that does business with the state or be directly or  
394 indirectly involved in any enterprise concerned with real estate  
395 acquisition or development. Each member of the State Properties  
396 Review Board [shall file, with the State Properties Review Board and  
397 with the Office of State Ethics,] and each such employee of the  
398 Department of Administrative Services shall file, [with the Department  
399 of Administrative Services and] with the Office of State Ethics, a  
400 statement of financial interests pursuant to the provisions of section 1-  
401 83.

402 (b) The provisions of sections 1-82, 1-82a and 1-88 shall apply to any  
403 alleged violation of this section.

404 Sec. 9. Section 4a-1a of the general statutes is repealed and the  
405 following is substituted in lieu thereof (*Effective July 1, 2013*):

406 (a) (1) Wherever the term "Commissioner of Public Works" or  
407 "Public Works Commissioner" is used in the following sections of the

408 general statutes, the term "Commissioner of Administrative Services"  
 409 shall be substituted in lieu thereof; and (2) wherever the term  
 410 "Department of Public Works" is used in the following sections of the  
 411 general statutes, the term "Department of Administrative Services"  
 412 shall be substituted in lieu thereof: 1-205, 1-210, 2-71h, 3-10, 3-14b, as  
 413 amended by this act, 4-87, 4b-2, 4b-4, as amended by this act, 4b-12, 4b-  
 414 13, 4b-17, 4b-21, as amended by this act, 4b-24a, 4b-25, 4b-27, 4b-29, 4b-  
 415 30, 4b-30a, 4b-33, 4b-34, 4b-35, 4b-46, 4b-65, 4b-67, 4b-68, 4b-69, 4b-71,  
 416 4b-72, 4b-73, 4b-74, 4b-130, 4b-132, 8-37y, as amended by this act, 10a-  
 417 89, 10a-150, 13a-80i, 13b-42, 13b-55, 16a-38h, 17b-655, [18-31b,] 20-68,  
 418 20-311b, 20-503, 22a-324, 31-250, 32-6, 32-228, 45a-80, 46a-29, 51-27a, 51-  
 419 27c, 51-27d, 51-51k and 51-279.

420 (b) The Legislative Commissioners' Office shall, in codifying the  
 421 provisions of this section, make such technical, grammatical and  
 422 punctuation changes as are necessary to carry out the purposes of this  
 423 section.

424 Sec. 10. Section 18-31b of the general statutes is repealed. (*Effective*  
 425 *July 1, 2013*)

|   |                     |                  |
|---|---------------------|------------------|
| This act shall take effect as follows and shall amend the following sections: |                     |                  |
| Section 1   | <i>July 1, 2013</i> | 4b-21            |
| Sec. 2  | <i>July 1, 2013</i> | 3-14b            |
| Sec. 3  | <i>July 1, 2013</i> | 4b-47(c)         |
| Sec. 4  | <i>July 1, 2013</i> | 8-37y(a)         |
| Sec. 5  | <i>July 1, 2013</i> | 17a-27b          |
| Sec. 6  | <i>from passage</i> | New section      |
| Sec. 7  | <i>from passage</i> | 1-200(6)         |
| Sec. 8  | <i>from passage</i> | 4b-4             |
| Sec. 9  | <i>July 1, 2013</i> | 4a-1a            |
| Sec. 10   | <i>July 1, 2013</i> | Repealer section |

**PD**

*Joint Favorable*

The following Fiscal Impact Statement and Bill Analysis are prepared for the benefit of the members of the General Assembly, solely for purposes of information, summarization and explanation and do not represent the intent of the General Assembly or either chamber thereof for any purpose. In general, fiscal impacts are based upon a variety of informational sources, including the analyst's professional knowledge. Whenever applicable, agency data is consulted as part of the analysis, however final products do not necessarily reflect an assessment from any specific department.

---

**OFA Fiscal Note****State Impact:**

| Agency Affected                  | Fund-Effect                 | FY 14 \$  | FY 15 \$  |
|----------------------------------|-----------------------------|-----------|-----------|
| Various State Agencies           | Various - Potential Savings | Minimal   | Minimal   |
| Dept. of Administrative Services | Various - Potential Cost    | See Below | See Below |

**Municipal Impact:** None

**Explanation**

The bill makes various changes to the state's surplus property disposition process. Streamlining the disposition process is anticipated to result in minimal savings associated with reduced costs for security and property maintenance.

The bill also allows the Department of Administrative Services (DAS) to enter into leases of up to one year in certain emergency situations, without the Office of Policy and Management or State Properties Review Board approval. This may result in short term increased costs to secure an alternative space. However, this potential impact may be mitigated by minimizing disruption to agency operations.

The bill also makes various changes which have no fiscal impact on the state or municipalities.

**The Out Years**

The annualized ongoing fiscal impact identified above would continue into the future subject to inflation.



**OLR Bill Analysis****sHB 5598*****AN ACT CONCERNING THE DEPARTMENT OF ADMINISTRATIVE SERVICES AND THE DISPOSITION OF SURPLUS STATE PROPERTY, SHORT TERM EMERGENCY LEASES, THE DEFINITION OF EXECUTIVE SESSION AND DUPLICATIVE STATEMENTS OF FINANCIAL INTEREST.*****SUMMARY:**

This bill modifies the process for disposing of surplus state property. Among other things, it:

1. requires state agencies to give the Office of Policy and Management (OPM) secretary and affected municipality at least six months' notice of property that is expected to become surplus;
2. requires various commissioners, within 30 days of receiving notice from OPM, to advise the secretary of the property's potential use for their agencies' purposes;
3. requires the secretary, if the property is declared surplus, to hold a public hearing in the affected municipality;
4. gives the affected municipality a one-time opportunity to receive the property (presumably for no cost), but removes the municipality's ability to match later offers made by other parties;
5. requires that notice of available property also be given to the Connecticut Economic Resource Center and the applicable regional planning organization;
6. requires that municipalities receive more frequent updates on a property's status; and

7. repeals a separate process for disposing of certain surplus Department of Correction (DOC) property.

Additionally, the bill allows the Department of Administrative Services (DAS) to enter into leases of up to one year in certain emergency situations without OPM or State Properties Review Board (SPRB) approval. It extends to state agencies a Freedom of Information Act (FOIA) provision that allows political subdivisions to hold executive sessions to discuss real estate transactions or site selections.

The bill eliminates a requirement that SPRB members and nonclerical employees in DAS's unit that acquires, leases, and sells real property file a statement of financial interests with SPRB or DAS as appropriate. It maintains the requirement that these members and employees file such a statement with the Office of State Ethics (§ 8).

Lastly, the bill makes technical and conforming changes.

EFFECTIVE DATE: July 1, 2013, except that the FOIA and leasing provisions are effective upon passage.

## **§§ 1, 2, & 10 — SURPLUS PROPERTY DISPOSITION**

### ***Notice of Surplus Property***

The bill requires state agencies, departments, and institutions (agencies) to give the OPM secretary written notice at least six months before they anticipate that they will no longer need land, or an improvement to or interest in land (property), in their custody and control. Under current law, agencies do not notify OPM of available property until they determine that it is no longer needed. The bill also requires the agency to notify the municipality in which the property is located at the same time it notifies OPM.

Under current law, upon receiving notice of surplus property, the OPM secretary must arrange for custody and control of the property to be transferred to DAS, along with adequate funding for personnel and other operating expenses required to maintain the property. The bill instead gives the secretary discretion to decide whether to (1) transfer

the property to DAS or (2) require the agency to maintain custody and control. It also specifies that the funding includes, at the secretary's discretion, any available funds for maintenance purposes, rather than adequate funding.

By law, the OPM secretary must notify all state agencies of the available property. Currently, an agency that is interested in the property, upon receiving this notice, has 90 days to submit to the secretary a plan for its use. The bill shortens this period to 30 days.

### ***Use by Other State Agencies***

Under current law, the Department of Economic and Community Development (DECD) has the right of first refusal for available state property and must be given custody and control of a property if the department:

1. determines that the property can be (a) used for an emergency shelter or a transitional living facility for homeless people or (b) used or exchanged for property that can be used for the construction, rehabilitation, or renovation of housing for low- or moderate-income individuals or families;
2. submits to OPM a preliminary plan for the property within 90 days after receiving notification of the property's availability; and
3. submits to OPM a comprehensive plan for the property within six months after the 90-day period ends.

The bill eliminates this right of first refusal. It instead requires the commissioners of the following agencies to notify the OPM secretary in writing, no later than 30 days after receiving notice from the secretary, if the land, improvement, or interest serves the following needs:

1. DECD, whether, in addition to the above possible uses, it can be used or adapted for economic development or exchanged for

- property that can be used for economic development;
2. the Department of Transportation, transportation purposes;
  3. the Department of Energy and Environmental Protection, open space purposes or otherwise support the department's mission;
  4. the Department of Agriculture, farming or agricultural purposes;
  5. the Department of Veterans' Affairs, veterans' housing;
  6. the departments of Children and Families and Developmental Services, to support their missions; and
  7. DAS, to house state agencies or to be leased.

The bill does not require the secretary to give these possible uses preference over plans submitted by other agencies. By law, if one or more agencies submit a plan for the property, the secretary must determine whether to transfer the property to one of those agencies or treat it as surplus.

### ***Transfer to Affected Municipality***

Under current law, if a property is determined to be surplus, the state must first offer to sell it to the municipality in which it is located, subject to conditions of sale acceptable to the state. The bill instead requires that the state offer to transfer the property (presumably at no cost) to the municipality.

Under the bill, the OPM secretary must first hold an informational public meeting in the municipality in which the property is located. The meeting must describe the property and the disposition process, allow public comment, and inform the public of its right to submit written comments to the secretary, including comments on the land's natural or recreational resources.

The bill requires the secretary, after the meeting, to notify the DAS commissioner that the property may be treated as surplus. The

commissioner must then offer to transfer the property to the municipality.

Under the bill, the municipality has 120 days from receiving this notification to accept the transfer, but the DAS commissioner can extend this period by up to 60 days. To accept the property, the municipality must (1) by a vote of its legislative body, accept the transfer and (2) deliver a resolution of the action, verified by the municipal clerk, to the commissioner. If the municipality does not act within the specified time period, it is deemed to have declined the transfer.

Under current law, if the municipality declines to purchase surplus property, it retains the right to purchase it later by matching the terms of a proposed sale to another entity, so long as those terms are different from those offered to the municipality. The bill eliminates this right by specifying that the municipality waives all rights to purchase the property if it declines or is deemed to decline the transfer.

### ***Sale to Other Entities***

Under current law, the DAS commissioner may sell, exchange, lease or enter into agreements concerning surplus property after notifying (1) the municipality where it is located, (2) the state legislators who represent the municipality, and (3) potential incentive housing developers who have registered with DECD. The bill requires the commissioner to also notify the (1) regional planning organization of the region where the property is located and (2) Connecticut Economic Resource Center. By law, regional planning organizations include regional councils of government, regional councils of elected officials, and regional planning agencies.

The bill also requires that municipalities and their state legislators receive more frequent updates on a property's status. Under current law, if a proposed agreement for a surplus property is not (1) submitted to SPRB within three years of notifying the municipality and its state legislators or (2) approved by SPRB within five years of this

notice, the municipality and its legislators must be re-notified of its availability. The bill shortens these periods to one year and two years, respectively.

### ***Legislative Approval***

By law, the DAS commissioner must submit sales of surplus state property to the legislature's Finance and Government Administration and Elections committees. The committees have 30 days from receipt of an agreement to approve or disapprove it; the agreement is deemed approved if the committees do not act within this time. The bill allows the committees to notify the DAS commissioner, in writing, that they waive their right to convene a meeting concerning the sale.

### ***Surplus DOC Property***

The bill repeals a separate process for disposing of surplus community correctional center properties, thus subjecting them to the above process. Under the separate process, if DOC declares that a community correctional center is surplus, the property must first be offered, for no cost, to either the municipality or its redevelopment agency. If the transfer is declined, the property must be auctioned to the highest bidder.

## **§ 6 — EMERGENCY LEASES**

By law, most proposed leases by state agencies must be (1) included in the State Facilities Plan, which the OPM secretary develops and (2) approved by SPRB. The bill allows DAS to enter into leases of up to one year, without OPM or SPRB approval, if the governor declares that (1) an emergency exists because a state facility has been damaged, destroyed, or otherwise rendered unusable; (2) the emergency would adversely affect public safety or the proper conduct of essential state government operations; and (3) the state has an immediate need to acquire alternative space.

## **§ 7 — FOIA**

Under FOIA, political subdivisions can meet in executive session to discuss the selection of a site or the lease, sale, or purchase of real

estate if publicity surrounding the selection or transaction is likely to cause a price increase. The provision applies until all of the property has been acquired or all proceedings or transactions have been terminated or abandoned.

The bill instead specifies that an executive session is permitted when the publicity would adversely impact the price of the site, lease, sale, purchase, or construction (e.g., an increased price if the agency is the buyer or a decreased price if the agency is the seller). Additionally, it extends to state agencies the ability to meet in executive session for these reasons.

### **COMMITTEE ACTION**

Government Administration and Elections Committee

Joint Favorable Substitute Change of Reference

Yea 13 Nay 0 (03/04/2013)

Planning and Development Committee

Joint Favorable

Yea 19 Nay 0 (04/01/2013)